

AMENDED IN SENATE MAY 3, 2004

AMENDED IN SENATE APRIL 13, 2004

SENATE BILL

No. 1904

Introduced by Senator Florez

March 4, 2004

An act to ~~amend Section 142263 of the Public Utilities Code, relating to transportation.~~ *add Section 213.5 to the Labor Code, relating to payment of wages.*

LEGISLATIVE COUNSEL'S DIGEST

SB 1904, as amended, Florez. ~~Fresno County Transportation Authority~~ *Payment of wages: direct deposit.*

Existing law establishes the various requirements for the payment of wages by employers to employees. Existing law prohibits the payment of wages via any instrument that is not negotiable and payable in cash on demand, without discount, at some established business in the state. Existing law does not prohibit an employer from depositing wages due in an account at any bank, savings and loan association, or credit union of the employee's choice when the employee has voluntarily authorized a direct deposit.

This bill would establish the requirements that must be contained in an employee's request for direct deposit and would require an employer who receives a request for direct deposit from an employee to honor that request within 30 days, unless doing so would violate the provisions of an applicable collective bargaining agreement.

The bill would further impose notice requirements on the employer by requiring every employer to provide a copy of the bill's provisions,

in the primary language understood by the employee, to each employee with the employee's first pay check.

~~Existing law, the Fresno Transportation Improvement Act, establishes the Fresno County Transportation Authority that is governed by a 7-member board. Upon approval of a specified ballot proposition by the Fresno voters, the authority is authorized to impose a retail transactions and use tax for up to 30 years to finance regional transportation improvements. Existing law specifies the wording of the proposition if the authority decides to submit a transportation tax measure to the voters. Existing law authorizes the authority to approve an expenditure plan that contains the transportation improvement projects, in priority order, of the authority.~~

~~This bill would delete the specified wording requirement of the proposition and would instead provide that the wording of the proposition would be described in the expenditure plan. The bill would require that the bond appropriation limit of the authority be included in the proposition.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 ~~SECTION 1. Section 142263 of the Public Utilities Code is~~
- 2 ~~SECTION 1. Section 213.5 is added to the Labor Code, to~~
- 3 ~~read:~~
- 4 ~~213.5. (a) An employee who maintains an account qualifying~~
- 5 ~~for participation in a direct deposit plan available at any financial~~
- 6 ~~institution may request that his or her employer pay the employee's~~
- 7 ~~wages by directly depositing the wages into the employee's~~
- 8 ~~account.~~
- 9 ~~(b) The employee requesting direct deposit shall provide~~
- 10 ~~written notification to his or her employer and include in the~~
- 11 ~~notification any information necessary to implement the direct~~
- 12 ~~deposit or required by the bank, savings and loan association, or~~
- 13 ~~credit union where the employee's account is maintained to~~
- 14 ~~establish direct deposit.~~
- 15 ~~(c) In addition to all other requirements set forth in this code~~
- 16 ~~relating to the payment of wages, including, but not limited to,~~
- 17 ~~those contained in Section 226, an employer who receives a~~
- 18 ~~request for direct deposit that complies with the requirements of~~

1 subdivision (b) shall, within 30 days of receipt of the employee's
2 request, comply with the request by implementing payment of
3 wages via direct deposit into the requesting employee's account,
4 unless compliance would violate the provisions of any applicable
5 collective bargaining agreement governing the employment
6 relationship.

7 (d) Every employer shall attach a copy of this section to the first
8 paycheck that each employee receives, and to the first paycheck
9 received by each new hire who begins work, on or after January
10 1, 2005. Copies shall be provided in the primary language
11 understood by the employee.

12 amended to read:

13 ~~142263. (a) The board of supervisors, as part of the ballot~~
14 ~~proposition to approve the imposition of a retail transactions and~~
15 ~~use tax, shall seek authorization from the electors to issue bonds~~
16 ~~payable solely from the proceeds of the tax.~~

17 ~~(b) The maximum bonded indebtedness that may be authorized~~
18 ~~shall be an amount equal to the sum of the principal and interest~~
19 ~~on the bonds, not to exceed the estimated proceeds of the tax, for~~
20 ~~a period of not more than 30 years. The actual wording of the~~
21 ~~proposition shall be described in the expenditure plan and shall~~
22 ~~include the bond appropriation limit of the authority.~~